

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

CARL WILLIAMS AND HASSAN ALEEM et al  
Creditors/Objectors,

v

In re:	Chapter 9
CITY OF DETROIT, MICHIGAN	Case No. 13-53846
AND EMERGENCY MANAGER	Judge Steven W Rhodes
KEVYN D. ORR	
Debtors/City of Detroit	Case No. 14-cv-10434
	Hon. Bernard A. Friedman
	Magistrate Paul J. Komives

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**OBJECTION TO THE FILING OF REDLINED VERSION OF EIGHT  
AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF  
DETROIT AND ANY CONFIRMATION BECAUSE OF AVIODANCE AND  
STATE ACTION OF FILED ON OCTOBER 31, 2014 PLAN**

We/I OBJECT TO THE REDLINED VERISON OF THE EIGHTH AMENDED  
PLAN OF ADJUSTMENT FOR THE DEBTS OF THE CITY OF DETROIT AND  
CONFIRMATION OF THE PLAN, THERE WAS NO NOTICE, IT WAS AFTER  
THE FACT, UNTIMELY, CONTRARY TO THE FACTS, MISREPRESENTATION  
OF THE BANKRUPTCY CODE AND RULES AND HAS NOT BEEN PRESENT  
ED AND CONDUCED IN A GOOD FAITH MANNER.

We/I object to the filing of redlined version of the Eighth Amended Plan of  
Adjustment for the debts of the city of Detroit and confirmation of any plan  
stemming from or connected to this plan of Adjustment and show the following:

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Detroit  
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1) We object to the confirmation of the plan of adjustment and any confirmation of the plan because the creditors and the public has been deceived by false reporting of the facts by the news media stating the City of Detroit file for bankruptcy.

(a)The state of Michigan through governor Rick Snyder and the emergency manager, Kevyn Orr filed for bankruptcy to avoid and evade paying their creditor Syncora and this is prohibited under chapter 9 bankruptcy proceedings. See In re Slatkin, 525 F.3d 805 at 812 (9<sup>th</sup> cir 2008); See Collier[109.04[3][d], at 109-32. (b) To add insult to injury this case is more egregious due to the fact it was filed with unclean hand and to avoid paying the City of Detroit as well, approximately \$224,000,000.00 of revenue sharing funds form 2012 and \$224,000,000.00 for 2013 and \$200,000,000.00 for 2014 plus interest for each year. Plus the fact Governor Rick Snyder stated he wasn't going pay and has not till this day. This is a clear violation of the "Revenue Sharing Act" that states that these funds are to be unrestricted revenue in according to Revenue Sharing Act 140 of 1971. The debt owed to the City of Detroit by the state is over a half billion and climbing and still owed. This is a violation of state law and the Bankruptcy code you cannot file bankruptcy to avoid paying your debt and carrying out your responsibility. This is "prime facie evidence" that the city failure to file and to proceed and conduct business in good faith, thus a violation of 11 USC 921 of the

Bankruptcy Code and should be dismissed. It also constitutes state action contravened the 14<sup>th</sup> Amendment of the Constitution of the United States.

c) When an state official violates its own law the court has rule this is an "state action." The action of Governor Rick Snyder through the Emergency Manager Kevyn Orr on the behalf of the state is the chief administrative officer of the State of Michigan, in the execution of his duty and the law constitute "state action" within the purview of the Fourteenth Amendment.

That Amendment govern any action of the state, "whether through its legislature, through its courts or its executive or administrative officers." *Mooney v Holohan* 294 U.S. 103, 112-113, (1934) citing *Carter v. Texas* 177 U.S. 442, 447; *Roger v Alabama*, 192 U.S. 226, 233, 234.

d) It is customary and a long standard principle that once an agency or a court has issued rules and regulations to govern its activity, The court's ruled that any time an agency promulgates rules they must scrupulously follow those rules or the decision cannot stand and may not violate them. In this case we are referring to Bankruptcy rules and codes and to bargain in good faith, regardless who makes the rule they must be followed in a civilized society of rules and law making procedures. *Security & Exchange Comm v. Chenery* 318 U.S. 80 87, 88 (1943), *Service v*

Dulles, 354 U.S. 363 77 S. Ct 1152, p1 L.ED2nd 1403 (1957) Pacific Molasses Co. v FTC, Tex (356 F2d 386 (1966).

e) How can the court legally rule that the City of Detroit is eligible under the Bankruptcy procedures with all of these multiple violations and there are other violations that other objectors has filed. The bankruptcy code state the bankruptcy can only be approved providing you comply with the codes and rules not violate them and the decision cannot stand. See Security & Exchange Comm v. Chenery supra citing Service v Dulles, citing Pacific Molassess supra.

2) On channel 4 the legal corporation council Butch Hollowell stated that the Mayor Mick Duggan said the city council and the mayor should have lead the Bankruptcy. This is more evidence that the bankruptcy was a fraud and not in the best interest of the creditors, nor the city under these circumstance the way it was filed.

The creditors has never said it was in their best interest and never consented to the bankruptcy and a violation of 11 USC 903, nor the city at the time a violation of 11 USC 904, thus has failed to conduct and proceed in a good faith manner and should be dismiss, thus due process and equal protection of the law of the 5<sup>th</sup> Amendment procedure due process and 14<sup>th</sup> Amendment equal protection

of the law of the Constitution of the United States.

3) We object to the plan of adjustment and any confirmation of the Bankruptcy, because it was done, after the fact instead of before the bankruptcy. Also, and most important is a municipality should, at the very least, attempt to circulate and obtain approval with respect to an adjustment plan prior to filing for chapter 9, not after the fact as in this case. Because Section 1126 (b) of the Code applies in chapter 9, a municipality that has reached the adjustment plan to be proposed under title 11 Section 941 of the Code. In re City of Vallejo, 408 B.R. at 280, 296-97 (9th Cir. B.A.P. 2009).

4) We object because the so-called “Grand-Bargain” is a farce and the funding is not available in the legislature and will not be available until March 2015. The end of this legislature session is December 2014 and according to Article IV Section 27 of the Constitution of the State of Michigan. The bill or the law doesn’t take effect until 90 days from the end of the last session which was passed, therefore, the funding will not be available until March 2015.

Instead of the “Grand Bargain” it should be called the “Grand Theft Fraudulent Concealment Bargain.” This whole bankruptcy process is like a ponzi scheme and the Magistrate Judge Steven W Rhodes is the author of this scheme and the

Bernard Madoff better known as Bernie Madoff of this bankruptcy proceedings.

The judge is conducting and carrying out the bankruptcy proceedings like that of a ponzi scheme that he is the co-author of "The Ponzi Book" a legal resource for unraveling ponzi schemes and the author is Kathy Bazoian Phelps. Therefore, in view of all the above facts and laws violations the confirmation shall not stand and the case should be dismissed.

**Theses are just a few examples of the reasons why we object to the Plan of Adjustment and Confirmation of the Plan because there has been multiple violations of the law throughout the bankruptcy proceeding . "This is an analogy to the fruit of the poisons tree."**

I/We hereby certify that the statements made herein are true and correct to the best of my knowledge and belief, under penalty of perjury and contempt of Court under the laws of the United States of America.

Carl Williams  
Carl Williams  
10112 Somerset  
Detroit, Michigan 48224  
313 521-5012

Hassan Aleem  
Hassan Aleem  
2440 Taylor  
Detroit, Michigan 48206  
313 205-4353

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

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Creditors/Objectors,

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AND EMERGENCY MANAGER  
KEVYN D. ORR  
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**PROOF OF SERVICES**

Carl Williams, being first duly sworn deposes and  
your name

Say that on November 11 2014. I sent a copy of Objection to the filing  
of redlined version of Eight Amended Plan for the Adjustment of Debts of  
the City of Detroit and any confirmation because of avoidance and state action  
filed on October 31, 2014, Upon the concern parties by certified mail at the  
following address:

City of Detroit  
Corporation Council  
First National Building  
600 Woodward Ave  
Detroit, Michigan 48226

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E.D. MICHIGAN, DETROIT  
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Emergency Manager  
Kenyn Orr  
Coleman A Young Municipal Center  
2 Woodward 11th floor  
Detroit, Michigan 48226

I/We hereby certify that the statements made herein are true and correct to the best of my knowledge and belief, under penalty of perjury and contempt of Court under the laws of the United States of America.

Sign Carl Williams

Dated November 11, 2014